



Transmission Business Line (TBL)

Business Practice BUS 001.4

Application Process for Transmission Service, Version 4*

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This document defines the process for customers to submit an application for transmission service. This revision (Version 4) adds new bullets in Section 3 regarding requirements for long-term firm transmission service requests and provides clarity about what problems will be treated as minor deficiencies. It also adds two clarifications to the table in Section 2 regarding application policy and clarifies standards for handling minor deficiencies in transmission service requests, and provides clarifications in wording in several sections.

This revision supersedes all prior versions of the Application for Transmission Service, V4 business practice.

* **Note:** During the period that the draft of this version of the Application for Transmission Service business practice was posted for customer review and comment as version 3, TBL posted a final revision to the previous version to implement an urgent policy change. Thus this update, that incorporates customer comments, has become Version 4. See the Revision History for further details.

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1. Definitions

The following definitions are for the purposes of this business practice.

Application Deposit - the term used in this business practice to refer to the "deposit" referenced in sections 17.3 and 29.2 of the OATT.

Business Day - Any weekday (Monday through Friday) which is not a United States or Canadian banking holiday.

Declined - as used in this business practice indicates that the customer has not met the TBL terms and conditions related to the Application Deposit referenced above.

Refused - Indicates that the service request has been denied due to lack of transmission capacity.

Retracted - Indicates that a customer has failed to return a signed contract in response to a contract offer.

Withdrawn - Indicates that the customer has withdrawn the request from further evaluation.

Close of Business - 5:00 pm Pacific Prevailing Time

2. Application Policy

All applications for transmission service are subject to the following rules:

- All long-term firm PTP transmission service requests and NT requests require an Application Deposit. This requirement applies whether or not the application involves the exercise of a reservation priority under section 2.2 of the Open Access Transmission Tariff (OATT). The following matrix delineates in more detail which transactions require an application deposit:

Request Circumstance	Deposit Required?
New NT or PTP transmission request of one year or more	Yes
New PTP Transmission Request of less than one year.	No
Change to customer served load	No
New NT Resource	No
Prepayment received by TBL prior to request	No, prepayment applied in lieu of deposit
Prepayment required, but not received by TBL prior to request	Yes, deposit will be applied to prepayment
Exercise of reservation priority	Yes
Assignment of transmission service	No
Firm Redirect	No
Loss Reservation	No

- TBL will not accept a transmission request that includes both network and intertie service. Requests for these types of service must be made separately.
- Facsimile (fax) requests for long-term firm transmission service must include a cover page that specifies the number of requests and the number of pages being sent. TBL is not responsible for the failure of fax transmissions.
- When TBL receives a request for transmission service, it evaluates the request for any deficiencies. As referenced in OATT section 17.4 for Point-to-Point service requests, TBL will attempt to work with the customer through informal communication to remedy minor deficiencies. After notification of a minor deficiency in the request, the customer has ten (10) business days to remedy that deficiency. If the customer does not remedy the deficiency within that period of time, the status of the request becomes invalid and the customer will be required to submit a new request.
- TBL will treat any deficiency with the information provided in a transmission service request as a minor deficiency (i.e., an issue that TBL will work with the customer to resolve per the timelines in this business practice, and not as an issue that will cause the request to be deemed as "Invalid") if:
 - A) It is a request for NT service or
 - B) It is a PTP request that contains valid information on:
 - * Service commencement and termination dates,
 - * POR including voltage (or geographic location regarding line POR will be on and approximate location if POR information does not currently exist) and
 - * POD including voltage
 - * MW Quantity of ATC being requested, and
 - * The application deposit is handled per this business practice.
- TBL will make best efforts to contact a customer as soon as possible after completion of evaluation of a transmission service request to inform the customer of the outcome of the evaluation.

3. Requests for Long-Term Service

To request long-term service, submit a written application as defined in section 17.1 or section 29.2 of the OATT, to:

BY US Postal Service

Bonneville Power Administration
Transmission Marketing and Sales - TM/OPP-2
P.O. Box 61409
Vancouver, WA 98666-1409

By Overnight Express Service:

Bonneville Power Administration
Transmission Marketing and Sales - TM/OPP-2
8100 N.E. Parkway Drive, Suite 50
Vancouver, WA 98662-6742

Required Phone Number (360) 619-6080

By Facsimile:
(360) 619-6940

Reservation Fee for Deferred Service Requests

- Customer requests for deferred service (requests with a service commencement date of greater than one year from the request date are subject to a reservation fee as specified in the Transmission and Ancillary Service Rate Schedules, General Rate Schedule Provisions, section II.). The following rules apply to determination of reservation fee applicability:
 - ◆ If the customer requests service with a service Commencement Date one (1) year or less from the request date and TBL delays service because of a lack of Available Transfer Capability (ATC), no Reservation Fee will be assessed.
 - ◆ If the customer requests deferred service and TBL must further delay the service, the reservation fee will be assessed for only that time period for which the customer requested deferral.
- The non-refundable annual reservation fee is equal to one-month's charge for Long-Term Firm Transmission Service for each year or fraction thereof from the request date until the commencement of service. The first year's fee is payable in accordance with the terms in the Rate Schedule.

Other Rules for Long-Term Service Requests

Requests for transmission service of one year or longer are subject to the following rules:

- TBL will not accept a request for Network Integration (NT) or Long-Term Firm Point-to-Point (PTP) Transmission Service if the requested Service Commencement Date is greater than ten years from the date of the request.
- All requests for long-term transmission service must be for a period of 30 years or less from the commencement date of the service. TBL will not accept requests for a period of more than 30 years.
- Requests for long-term transmission service from TBL must be in yearly (12 calendar month) increments.
- Requests involving exercise of a reservation priority under section 2.2 of the OATT must expressly state in the application that the customer is exercising a reservation priority.
- Requests for Network Integration (NT) or Long-Term Firm Point-to-Point (PTP) Transmission Service must include the correct POR/POD name and voltage of the POR(s) and POD(s). See the POR/POD name list on TBL's Business Practices Web Page at http://www2.transmission.bpa.gov/Business/Business_Practices/default.cfm?page=Business.
- Requests for transmission service at an interconnection point where no substation yet exists must include a geographical reference point. For example, - Specify X miles east of substation PQR on line MNO and the line

voltage where the connection to BPA's system is (or will be) requested. Without that information, TBL cannot evaluate ATC to respond to the request. If the customer is uncertain as to which location/voltage it wishes to take the transmission service at, the customer may submit two or more requests for transmission service.

- If the customer specifies a POD internal to BPA's control area that is not on TBL's list of PODs, then the customer must supply the location of the load to be served by the capacity and energy transmitted, except in the case of the Northwest Hub.

4. Requests for Short-Term Service

Requests for short-term transmission service must be made via the TBL OASIS system. In the event that OASIS is non-operational, requests may be submitted by transmitting the required information to the Transmission Provider by facsimile (fax) using the template available on the website at http://www2.transmission.bpa.gov/Business/Reserve_and_Schedule_Transmission/Documents/OASIS_backup_Template.pdf. The fax number for such transmissions is (360) 418-8207. Requests submitted by fax must include all the required information to be complete.

5. Queue Time

A. Long-Term PTP requests and NT Requests

A transmission service request is entered into the queue when TBL receives a request pursuant to section 17.2 (PTP) or 29.2 (NT) of the OATT. Times are determined as follows:

- ♦ Fax - the time stamp on the faxed request is used
- ♦ Mail - when the request is opened, it is time stamped
- ♦ FedEx - time is noted when the request for service is delivered to the BPA mailroom
- ♦ Email - the time that the email was sent is used.

All of the above transmittal methods must include a signature by a company representative authorized to make a transmission request. If the request is transmitted via fax or Email, a signed hard copy of the request must be received within five (5) Business Days.

B. Short-Term PTP Requests

A short-term transmission service request is entered into the queue when a request made pursuant to section 17.2 of the OATT is submitted into OASIS. Requests that are submitted by fax if OASIS is not operational are entered in the order of the date and time stamp on the fax.

6. Transmission Application Deposits

A. Deposit Amount

For long-term firm PTP transmission service requests, the Deposit shall be calculated for one month of service using the monthly rate for long-term firm

transmission service in effect at the time of the application. During the rate period commencing on October 1, 2003, the rates are as follows:

- ♦ PTP Transmission Service on the Network: \$1.028/kW/month
- ♦ PTP Transmission Service on Southern Intertie facilities: \$1.176/kW/month
- ♦ PTP Transmission Service on the Montana Intertie: \$1.258/kW/month.

For NT Service, the Application Deposit shall be calculated based on the BPA-approved load forecast for the first month of service using the NT Rate Base Charge in effect at the time of the application. During the rate period commencing on October 1, 2003 that charge is \$1.028/kW/month.

B. Deposit Payment Options

There are three options for payment of the deposit:

1. Electronic Funds Transfer

Instructions for doing an electronic transfer to BPA, either through Fedwire or Automated Clearing House (ACH), can be obtained from your account executive.

When using Fedwire, after "OBI=" include the words "Transmission Deposit". When using the ACH type of electronic transfer, include the same information in the "memo" field on the transfer.

Note that TBL will not Decline a request because a bank has removed information from the "OBI" or "memo" field.

2. Check

Send all checks to the following address:

Bonneville Power Administration,
c/o Bank of America Lockbox Services
File #74038, Unit 5190
1455 Market Street, 21st Floor
San Francisco, CA 94103-1308

Phone Number: (415) 436-4313 (required for FedEx deliveries)

Include the words "Transmission Deposit" and the request date on the check. If the request is being made under an existing contract, include the contract number.

Checks must be sent via overnight mail for TBL to receive the deposit within the five Business Days window. See section C for more details. Write "File # 74038" on the air bill and on all contents of the package.

3. Prepayment

For customers who are prepaying for transmission service, and who submit a request for service prior to making the prepayment for such service, the deposit will be applied to the first prepayment and will be treated consistent with applicable prepayment standards. If the customer has prepaid for transmission service prior to submission of the

request for such service, the prepayment will be accepted in lieu of an Application Deposit.

C. Information Required Regarding Application Deposit

As soon as the application deposit is sent, send TBL an email at transmissiondeposits@bpa.gov and include the information described below regarding your application deposit. This email box will automatically send a confirmation of receipt of your email. If the email box is not working, fax the information to (360) 619-6940.

- ♦ Customer Name
- ♦ Contact Name, Phone Number, and e-mail address
- ♦ Payment Method
 - * If paying by wire transfer through the Fedwire system, include the date and amount. If the Fedwire reference number is available at that time, include it as well. Otherwise, be prepared to supply it if asked.
 - * If paying by ACH, include the date and amount. If the ACH trace number is available at that time, include it as well. Otherwise, be prepared to supply it if asked.
 - * If paying by check, include the check number.
 - * If the customer has prepaid for at least the first month of the transmission service, indicate the amount of the prepayment and include the date and method of the prepayment.

Without the above information, TBL may not be able to match your Application Deposit to your transmission request. TBL will not “Decline” a request because it does not receive this email. However, TBL assumes no responsibility for tracking the Application Deposit or assuring that it has been received if the customer does not provide the above-requested information.

D. Receipt of Deposit

For long-term PTP requests and NT requests, an Application Deposit must be received by TBL by Close of Business five (5) Business Days after the written application was submitted or the request will be “Declined”. For example, if a request is received at 1:00 pm on a Wednesday, the deposit must be received by Close of Business (5:00 pm) the following Wednesday, assuming no holidays.

E. Deposit Treatment

Deposits will be treated as follows:

- ♦ If a service agreement is executed and transmission service is provided pursuant to the transmission request, TBL will refund the deposit with interest. That refund will be made within five (5) Business Days of the commencement of service.
- ♦ If TBL “Declines” or “Refuses” an application or the customer “Withdraws” or “Retracts” the application, the deposit will be returned with interest within five (5) Business Days of the date on which the

request is "Declined", "Refused", "Withdrawn" or "Retracted". When a long-term PTP service application is "Refused", "Withdrawn", or "Retracted", a processing fee of \$2500 will be deducted from the deposit to cover the TBL costs of processing the application.

- ♦ If service is deferred or a system impact study is required, TBL will retain the deposit until service commences or the request is "Withdrawn", "Refused", or "Retracted".

TBL will calculate interest to the issue date of the deposit refund invoice and will include the interest in the refund amount. Interest will be calculated at the FERC rate. Interest will be paid on all deposits that are held for 24 hours or longer. No interest will be paid on deposits held less than 24 hours.

7. Related TBL Business Practices:

TBL business practices are available on the TBL web site at http://www2.transmission.bpa.gov/Business/Business_Practices/. See the following related business practices.

- Extension for Commencement of Service
- Creditworthiness
- Right of First Refusal (Reservation Priority).

Revision History

Rev. Date	Status/Summary
03/24/2004, V3	Changes one of the rules in Section 3 under the subheading "Other Rules for Long-Term Service Requests". The limitation on the commencement date timeframe for which TBL will accept transmission service requests was five years from the date of the service request and is now ten years from the date of the service request.
02/05/2004, V2	Corrects the email address for the application deposit mailbox.
01/27/2004, V1	<p>Version 1 posted to define procedures and rules for applying for transmission service.</p> <p>Effective October 1, 2003, in accordance with the Open Access Transmission Tariff (OATT), TBL requires a deposit for long-term Firm Point-To-Point (PTP) Transmission Service pursuant to section 17.3 and for Network Integration Transmission (NT) Service pursuant to section 29.2. TBL has been operating under interim procedures for submission of deposits since October 1, 2003. This Business Practice replaces that interim procedure.</p> <p>This document also incorporates and replaces the following postings:</p> <p>"Transmission Business Line's Notification to Limit Contract Terms for both Network Integration (NT) and Long-Term Firm Point-to-Point (PTP) Transmission Service under the Current Open Access Transmission Tariff (FY 1996 - 2001) and the Proposed (new) Open Access Transmission Tariff (FY 2002 - 2003)" posted March 16, 2001</p> <p>"Transmission Business Line's notice: Change in Requesting Long-Term Service and Actions Required by Customers" that was posted on March 22, 2001</p>